

Article - Real Property

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§14–505.

(a) An affordable housing land trust agreement may:

(1) Restrict the transfer, lease, sublease, or assignment of possession or of any interest in the property to a person who does not meet the conditions set forth in the affordable housing land trust agreement for that property;

(2) Grant the affordable housing land trust the right to repurchase any interest in the property and any improvements on the property under terms set forth in the affordable housing land trust agreement and in accordance with the requirements of § 14–506 of this subtitle;

(3) Grant the affordable housing land trust the right to take possession of the property and sell the property if a condition defined in the agreement is met and in accordance with the requirements of § 14–507 of this subtitle;

(4) Provide for the reversion of the property at the end of the term of the affordable housing land trust agreement under conditions set forth in the agreement;

(5) Provide a mechanism or formula for the sharing of any proceeds from a future sale or transfer of an interest in the property under terms set forth in the agreement; and

(6) Provide other mechanisms to enforce the terms of the affordable housing land trust agreement.

(b) An affordable housing land trust shall record any affordable housing land trust agreement in accordance with subsection (f) of this section and Title 3 of this article.

(c) An affordable housing land trust agreement:

(1) May not extend for a term longer than 99 years; and

(2) May be renewed under conditions set forth in the agreement.

(d) An affordable housing land trust agreement shall:

(1) Be in writing; and

(2) Clearly identify each term and condition.

(e) (1) A copy of an affordable housing land trust agreement shall be provided to the purchaser of any property covered by the agreement at least 15 days before the purchaser enters into a contract acquiring an interest in or possession of any property covered by the agreement.

(2) (i) If a copy of the affordable housing land trust agreement is not provided as required under this subsection, a contract entered into by a purchaser of any property covered by the agreement is voidable by the purchaser.

(ii) The failure to provide a copy of the affordable housing land trust agreement as required under this subsection is cause for the rescission of any transaction involving the transfer of any interest in the property by the purchaser.

(f) A copy of the affordable housing land trust agreement and a signed, notarized affidavit acknowledging receipt of the affordable housing land trust agreement by the transferee shall be:

(1) Recorded in the land records of the county in which the property is located;

(2) Indexed in the grantor and grantee indices with the seller as grantor and the purchaser as grantee; and

(3) Notwithstanding the fact that a copy of the affordable housing land trust agreement, rather than the original, is offered for record with the affidavit, accepted for recording by the clerk without payment of recordation and transfer taxes.

(g) Recordation of a copy of the affordable housing land trust agreement and the affidavit:

(1) Terminates the right of rescission; and

(2) Provides a conclusive presumption that a contract of sale was not rescinded.

(h) The terms of an affordable housing land trust agreement may be modified or changed only with the written consent of all the parties.

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